

(3) Becomes insolvent, suspends or discontinues business operations, makes an assignment for the benefit of creditors, commences voluntary or has commenced against them involuntary bankruptcy proceedings, or voluntarily appoints or involuntarily has appointed a receiver or trustee of all or any part of their property; or

(4) Is in default in the performance of any loan agreement with its lender(s) (for example, noncompliance with financial covenants), regardless of whether such default is declared by the lender(s). Each party agrees to promptly provide the other party written notice of any such default by it. Each party agrees to immediately provide the other party a copy of any notice of default such party receives from its lender(s). Any such notice of default by a party given by its lender(s) shall be conclusive evidence of such a default.

(b) If the other party is in default, the non-defaulting party may terminate this Agreement by written notice to the defaulting party. Upon delivery of such a written notice of termination this Agreement shall immediately terminate.

(c) If we discontinue slaughtering hogs at the plant to which your hogs are being delivered and retain ownership of such plant, then we shall at our option (1) terminate this Agreement by written notice to you, or (2) notify you that you must deliver the hogs to our then nearest slaughter plant. We will pay you for additional freight costs incurred by such delivery pursuant to our then current standard livestock freight schedule.

6. **REMEDIES.** If the other party is in default, the non-defaulting party shall have the right to pursue any and all remedies available at law or in equity, including without limitation any remedies granted by this Agreement. The remedies shall be considered cumulative, with the pursuit of any one or more remedies not preventing the pursuit of any other remedies that may be available.

7. **INDEMNITY.** Each party shall indemnify and hold the other party harmless for any and all liabilities, damages, claims, judgments, costs and expenses (including without limitation reasonable attorneys' fees) incurred by the other party in connection with such party's actual or alleged breach of this Agreement.

8. **RIGHT OF OFFSET.** If you are in default, we may offset any amounts owed to us under paragraph 7 against any amounts due and owing to you under this Agreement and any other agreement or transaction between you and us until all such amounts owed to us have been satisfied.

9. **NO SECURITY INTERESTS OR LIENS IN HOGS.** You represent to us that all hogs delivered under this Agreement are free and clear of all security interests and liens of any kind whatsoever, except as specifically provided in a written notice received by us at least thirty (30) days prior to delivery. If hogs delivered under this Agreement are subject to any security interest or lien, we may make payments jointly to you and the secured party or lien holder.

10. **FORCE MAJEURE.** Neither party shall be liable for damages due to delay or failure to perform any obligation under this Agreement that results directly or indirectly from any cause beyond the reasonable control of such party. Examples of such causes are disease which could not be reasonably foreseen or prevented by adherence to accepted industry practices, strike or other labor difficulties, breakdown or damage to facilities, acts of war, civil commotions, acts of any governmental authority,